Memoranda for separation from world trade organisation

†*519. SHRI MOTILAL VORA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have received memoranda from farmers, labours and owners of small scale industries of various States demanding India to separate from World Trade Organisation;

(b) if so, the details thereof, State-wise;

(c) whether Government have considered the points raised in these memoranda; and

(d) if so, what is Government's reaction thereto?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) Many units of the Bhartiya Kisan Sangh from Uttar Pradesh, Rajasthan, Karnataka, Goa, Delhi, All India Kisan Sangharsh Samiti, Bihar and the National Coordination Committee of Farmers Movement have submitted Memoranda to the Government for separation from World Trade Organisation (WTO). It has been represented that prices of agricultural commodities arc falling due to unrestricted imports under the World Trade Organisation regime, opening of agricultural sector to Multi National Corporations and Continuation of subsidies by developed countries.

(c) and (d) India is a founder member of the WTO which came into being on 1.1.1995 as a successor to the General Agreement on Tariffs and Trade 1947 (GATT), of which also India was a founder member. WTO provides a predictable rule based multilateral trading system.

While the Agreement on Agriculture (AoA) has not constrained India's domestic policy options for agricultural and rural development, experience in implementation of the same has brought out a number of issues, which deserve rebalancing. These have

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already been flagged by India in its comprehensive proposals submitted in WTO. The Indian proposals aim at protecting its food and livelihood security and for creating opportunities for the exports of its agricultural surpluses while targeting the high tariffs and trade distorting domestic support and export subsidies of the developed countries. Further in the Doha Ministerial Declaration also the key concerns of India in agriculture have been adequately safeguarded. Special and differential treatment for developing countries including recognition of food security and rural development has now become an integral part of the mandated negotiations on agriculture.

As regards the fluctuation in prices of agricultural commodities it may be noted that prices arc a function of demand and supply factors as well as other macro-economic indicators. It will thus not be correct to attribute, in general, the decline or rise in prices of agricultural products to any one factor.

The wholesale prices of different agricultural commodities have shown a mixed trend with domestic prices for wheat, jowar, bajra, ragi, maize, moong, gram, masoor and edible oils witnessing an increase. Commodities-like rice, barley, urad, arhar, sugar and cotton have registered a decline in the past one year. Government is constantly monitoring the imports of sensitive commodities and acting to protect the interests of both the consumers and producers.

In order to ensure that Indian producers including the Small Scale Industries are not put to any hardship, the Government have put in place a suitable mechanism for monitoring of the imports of sensitive items and are committed to providing adequate protection to the domestic producers by resorting to various WTO compatible measures which include appropriate calibration of applied tariffs within the bound tariffs, imposition of anti-dumping, countervailing duties and safeguard action under certain specified circumstances.